

DATE OF LEASE: 6/13/08

LEASE # **GS-11B-02030**

THIS LEASE, made and entered into this date between Matomic Operating Co.

Whose address is: c/o Matomic Operating Co.
2122 Massachusetts Avenue, Suite 12
Washington, DC 20008

And whose interest in the property hereinafter described is that of LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the Government.

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of **60,000** BOMA Office Rentable Square Feet (BORSF) [equivalent to **53,386** BOMA Office Useable Square Feet (BOUSF)] of office and related space on the entire 4th floor as being (**30,000** BORSF / **26,626** BOUSF), and the entire 5th floor as being (**30,000** BORSF / **26,760** BOUSF) of the building known as 1717 H. Street NW, Washington, DC 20006 as noted on the attached floor plan and made a part hereof.

To be used for OFFICE AND RELATED PURPOSES.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the ten (10) year firm term beginning upon completion of tenant improvements by the Lessor, and acceptance thereof by the Government. The space will be occupied in two phases. When the lease is executed by the Government rent will commence on the 5th floor in the amount of \$1,399,280.40 per annum, monthly in arrears in the amount of \$116,606.70 per month, rent will increase to \$2,791,694.88 upon acceptance of space on the 4th floor. Once this occurs, a composite lease term date will be established, and the term will run for (10) years from said date. A supplemental lease agreement (SLA) shall be issued upon acceptance of the space memorializing the commencement date.

3. The Government shall pay the Lessor an annual rent of **\$2,791,694.88 (\$46.53 /RSF and \$52.29/BOUSF)** at the rate of **\$232,641.24** per month in arrears. Rent for a lesser period shall be prorated. The annual rent includes an operating cost base **(b) (4)** and base real estate taxes. Rent checks shall be made payable to: Matomic Operating Company, 2122 Massachusetts Avenue, Suite 12, Washington, DC 20008. Payment of CPI increases in operating cost and adjustments for real estate taxes shall be paid by the Government in accordance with the SFO # 07-014.

The Government's percentage of occupancy for real estate tax purposes shall be **18.86%** based on **60,000** RSF / **318,085** RSF, subject to confirmation of the rentable areas of the Government-leased space and the entire building.

4. ~~The Government may terminate this lease at any time by giving at least _____ day's notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after day the date of mailing.~~ *itm*

5. There is no renewal option under this lease.

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
EXCEPT AS SET FORTH BELOW OR ELSEWHERE IN THIS LEASE, ALL SERVICES, IMPROVEMENTS, ALTERATIONS, REPAIRS, AND UTILITIES AS DEFINED BY THIS LEASE. THIS LEASE IS FULL SERVICE.

- a) Prior to substantial completion of the leased premises, Lessor shall submit a Fire Protection & Life Safety Evaluation, Attachment #4, completed by a Certified Fire Protection Engineer (CPFE). The Lessor shall correct all deficiencies and comply with all recommendations identified in the Evaluation, as well as the recommendations and findings of the GSA Fire Protection Engineer Section's review of the Evaluation. Notwithstanding anything in the SFO or its attachments to the contrary, this lease shall not become effective until all deficiencies have been corrected and all recommendations complied with.

LESSOR *itm* GOV'T *ms*

- b) Pursuant to Paragraph 3 "Tenant Improvement", the annual rental rate recited in paragraph 3 includes amortized Tenant Improvement Allowance (b) (4). Notwithstanding any provisions of the SFO to the contrary, the Government shall not amortize more than (b) (4) in tenant improvements. Any tenant improvements funded by the Lessor in excess of this amount shall be repaid by the Government via lump sum payment. The Government will amortize the TIA at an annual interest rate of (b) (4) per annum over the firm term of the lease. The Government shall have the right to repay the TIA via lump sum payment to the Lessor as additional rent. The Lessor shall ensure that the space meets and comply with all UFAS/ADA codes according to the SFO. Upon completion of tenant improvements and acceptance thereof by the Government a Supplemental Lease Agreement (SLA) shall be executed by both parties memorializing the amount of tenant improvement funds used by the Government, the payment method and any change in the rental payment
- c) The Government will accept the Reuse plan submitted in accordance with SFO Paragraph 4.3. The Government will not request or be entitled to a rent credit for such warm-lit shell improvements identified and accepted in the Plan, and the Lessor shall convey all Tenant Improvement items identified in the Reuse Plan at no cost to the Government. However, if the Government occupies any of the space without requiring warm lit shell alteration, the Lessor shall be responsible for any future warm lit shell alteration should the Government desire to reconfigure the space, and the Lessor shall maintain all items in paragraph 1.8 "Building Shell Requirements" in good repair and tenantable condition throughout the term of this Lease in accordance with the requirements of the Lease and its attachments. The acceptance of such items contained in the Reuse Plan does not relieve the Lessor from any other obligations it may have in the Lease for future alterations, maintenance, repairs, replacements and/or other improvements, whether at its cost or at the Government's cost and all such future alterations, repairs, replacements and/or other improvements shall be performed in compliance with the standards set forth in the Lease (SFO) and shall result in the quality and function of the premises no less than the quality and function indicated in the Lease (SFO).
- d) Pursuant to Paragraph 7.3 "Overtime Usage", the rate for overtime HVAC service to the premises governed by the Lease shall be \$20.00 per hour.
- e) Paragraph 4 of this lease has been deleted.

7. The following are attached and made a part hereof:

- 1) SOLICITATION FOR OFFERS (SFO) #07-014, 52 PAGES
- 2) RIDER #1, 1 PAGE
- 3) SECURITY RIDER #2, 1 PAGE
- 4) REUSE PLAN, 1 PAGE
- 5) ATTACHMENT #1 TO THE SFO, RATE STRUCTURE, 2 PAGES
- 6) ATTACHMENT #2 TO THE SFO, CONSTRUCTION SCHEDULE, 1 PAGE
- 7) ATTACHMENT #3 TO THE SFO, SCOPE OF WORK, 2 PAGES
- 8) ATTACHMENT #4 TO THE SFO, FIRE SAFETY, 12 PAGES
- 9) GSA FORM 1217, LESSOR'S ANNUAL COST STATEMENT, 2 PAGES
- 10) GSA FORM 1364, PROPOSAL TO LEASE SPACE, 2 PAGES
- 11) GSA FORM 3517, GENERAL CLAUSES, 26 PAGES
- 12) GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS, 8 PAGES
- 13) FLOORPLAN OF LEASED AREA, 2 PAGES
- 15) FIRE & LIFE SAFETY RIDER #3, 1 PAGE

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: Matomic Operating Co.

(b) (6)

By: Ann Maiatico

(b) (6)

IN PRESENCE OF

Name:

BY

Vice President
Title: Vice President

Address 1636 COMMERCIAL RD

UNITED STATES OF AMERICA

BY

(b) (6)

TITLE

CONTRACTING OFFICER GSA NCR